

Gen. Reinhard Gehlen persuaded the U.S. Army and then the CIA to sponsor his intelligence network even though he employed numerous former Nazis and known war criminals.

The CIA and Nazi War Criminals

National Security Archive Posts Secret CIA History Released Under Nazi War Crimes Disclosure Act

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Join the NSARCHIVE Electronic Mailing List Washington D.C., February 4, 2005 - Today the National Security Archive posted the CIA's secret documentary history of the U.S government's relationship with General Reinhard Gehlen, the German army's intelligence chief for the Eastern Front during World War II. At the end of the war, Gehlen established a close relationship with the U.S. and successfully maintained his intelligence network (it ultimately became the West German BND) even though he employed numerous former Nazis and known war criminals. The use of Gehlen's group, according to the CIA history, Forging an Intelligence Partnership: CIA and the Origins of the BND, 1945-49, was a "double edged sword" that "boosted the Warsaw Pact's propaganda efforts" and "suffered devastating penetrations by the KGB." [See Volume 1: Introduction, p. xxix]

The declassified "SECRET RelGER" two-volume history was compiled by CIA historian Kevin Ruffner and presented in 1999 by CIA Deputy Director for Operations Jack Downing to the German intelligence service (Bundesnachrichtendienst) in remembrance of "the new and close ties" formed during postwar Germany to mark the fiftieth year of CIA-West German cooperation. This history was declassified in 2002 as a result of the work of The Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group (IWG) and contains 97 key documents from various agencies.

This posting comes in the wake of public grievances lodged by members of the IWG that the CIA has not fully complied with the mandate of the Nazi War Crimes Disclosure Act and is continuing to withhold hundreds of thousands of pages of documentation related to their work. (Note 1) In interviews with the *New York Times*, three public members of the IWG said:

- "I think that the CIA has defied the law, and in so doing has also trivialized the Holocaust, thumbed its nose at the survivors of the Holocaust and also at the Americans who gave their lives in the effort to defeat the Nazis in World War II." - Former congresswoman Elizabeth Holtzman
- "I can only say that the posture the CIA
 has taken differs from all the other
 agencies that have been involved, and
 that's not a position we can accept." Washington lawyer Richard BenVeniste
- "Too much has been secret for too long. The CIA has not complied with the statute." - Former federal prosecutor Thomas H. Baer

<u>The IWG</u> was established in January 11, 1999 and has overseen the declassification of about eight million pages of documents from multiple government agencies. Its mandate expires at the end of March 2005.

The documentation unearthed by the IWG reveals extensive relationships between former Nazi war criminals and American intelligence organizations, including the CIA. For example, current records show that at least five associates of the notorious Nazi Adolf Eichmann worked for the CIA, 23 other Nazis were approached by the CIA for recruitment, and at least 100 officers within the Gehlen organization were former SD or Gestapo officers. (Note 2)

The IWG enlisted the help of key academic scholars to consult during the declassification process, and these historians released their own interpretation of the declassified material last May (2004) in a publication called *US* Intelligence and the *Nazis*. The introduction to this book emphasizes the dilemma of using former Nazis as assets:



James H. Critchfield, then chief of CIA's Munich Operations Base, later served as an historical adviser to the Interagency Working Group on Nazi war crimes, including some of his own documents on Gehlen's network.

"The notion that they [CIA, Army

Counterintelligence Corp, Gehlen organization] employed only a few bad apples will not stand up to the new documentation. Some American intelligence officials could not or did not want to see how many German intelligence officials, SS officers, police, or non-German collaborators with the Nazis were compromised or incriminated by their past service... Hindsight allows us to see that American use of actual or alleged war criminals was a blunder in several respects...there was no compelling reason to begin the postwar era with the assistance of some of those associated with the worst crimes of the war. Lack of sufficient attention to history-and, on a personal level, to character and morality-established a bad precedent, especially for new intelligence agencies. It also brought into intelligence organizations men and women previously incapable of distinguishing between their political/ideological beliefs and reality. As a result, such individuals could not and did not deliver good intelligence. Finally, because their new, professed 'democratic convictions' were at best insecure and their pasts could be used against them (some could be blackmailed), these recruits represented a potential security problem." (Note 3)

The Gehlen organization profiled in the newly posted CIA history represents one of the most telling examples of these pitfalls. Timothy Naftali, a University of Virginia professor and consulting historian to the IWG who focused heavily on

the declassified CIA material, highlighted the problems posed by our relationship with Gehlen: "Reinhard Gehlen was able to use U.S. funds to create a large intelligence bureaucracy that not only undermined the Western critique of the Soviet Union by protecting and promoting war criminals but also was arguably the least effective and secure in the North Atlantic Treaty Organization. As many in U.S. intelligence in the late 1940s had feared would happen, the Gehlen Organization proved to be the back door by which the Soviets penetrated the Western alliance." (Note 4)

The documents annexed in the CIA history posted today by the Archive echo the observations of Professor Naftali. While placing much of the blame on the Army Counterintelligence Corps' initial approach to Gehlen, this history emphasizes the CIA's own reluctance to adopt responsibility for Gehlen's organization, yet the documents show the CIA ultimately embracing Gehlen.

Some of the highlights from this secret CIA documentary history include:

- A May 1, 1952 report detailing how Gehlen and his network were initially approached by U.S. army intelligence. (Document 6)
- Two evaluations of the Gehlen operation from October 16 and 17, 1946, advising against the transfer of Gehlen's organization to CIG hands and questioning the value of the operation as a whole. (Documents 21 and 22)
- A March 19, 1948 memorandum from Richard Helms, noting Army pressure for the CIA to assume sponsorship of the Gehlen organization, and continued concern over the security problems inherent in the operation. (Document 59)
- A December 17, 1948 report outlining the problems with the Gehlen organization, but ultimately

recommending CIA assumption of the project. (Document 72)

In answer to the question "Can we learn from history?", the IWG's consulting historians noted "The real question is not whether we will make use of our past to deal with the present, but rather how well we will do so. To do it well, we need these documents." (Note 5)

"This secret CIA history is full of documents we never would have seen under the Freedom of Information Act, because Congress in 1984 gave the CIA an exemption for its 'operational' files, on the grounds that such files were too sensitive ever to be released," commented Thomas Blanton, director of the National Security Archive. "The Nazi War Crimes Disclosure Act has proven this assumption false. Release of these files has done no damage to national security, has provided information of enormous public interest and historical importance, and however belatedly, has brought a measure of accountability to government operations at variance with mainstream American values."

Documents

Note: Many of the following documents are in PDF format. You will need to download and install the free <u>Adobe Acrobat Reader</u> to view.

Note: The following CIA history has been split into separate pdf files for each separate document or volume introduction, due to its large size. It includes relevant documents from the CIA, Army Intelligence, and CIA predecessor organizations.

Forging and Intelligence Partnership: CIA and the Origins of the BND, 1945-49. Edited by Kevin C. Ruffner for CIA History Staff, Center for the Study of Intelligence, and European Division, Directorate of Operations. 1999. Released May 2002.

Volume 1: Introduction

Volume 1: Part I - Firsthand Accounts

<u>Document 1:</u> Statement of Gerhard Wessel on Development of the German Organization [undated]
<u>Document 2:</u> Statement of General Winder on the History of the Organization [undated]

<u>Document 3:</u> Statement of Hans Hinrichs on Early History of the Organization [undated]

<u>Document 4:</u> Statement of Heinz Danko Herre. April 8, 1953.

Document 5: Statement of General Gehlen on Walter Schellenberg Story (Post Defeat Resistance) [undated] Document 6: Report of Initial Contacts with General Gehlen's Organization by John R. Boker, Jr. May 1, 1952. Document 7: Statement of Lt. Col. Gerald Duin on Early Contacts with the Gehlen Organization [undated] Document 8: Report of Interview with General Edwin L. Sibert on the Gehlen Organization. March 26, 1970. Document 9: Debriefing of Eric Waldman on the US Army's Trusteeship of the Gehlen Organization during the Years 1945-1949. September 30, 1969.

Volume 1: Part II - Stunde Null

<u>Document 10:</u> Seventh Army Interrogation Center, "Notes on the Red Army-Intelligence and Security." June 24, 1945. <u>Document 11:</u> Headquarters, Third Army Intelligence Center, Preliminary Interrogation Report, Baun, Hermann. August 16, 1945.

<u>Document 12:</u> Captain Owen C. Campbell, Evaluation Section, to Lt. Col. Parker, Enclosing Interrogation Reports No. 5724 and 5725. August 29, 1945.

<u>Document 13:</u> Crosby Lewis, Chief, German Mission. October 25, 1945.

Volume 1: Part III - The Vandenberg Report

<u>Document 14:</u> SAINT, AMZON to SAINT, Washington, "Russian Experts of German Intelligence Service." January 8, 1946.

<u>Document 15:</u> Headquarters, US Forces European Theater (USFET), Military Intelligence Service Center (MISC, "Operation of the Blue House Project." May 11, 1946.

<u>Document 16:</u> Headquarters, USFET, MISC, CI Consolidated Interrogation Report (CI-CIR) No. 16, "German Methods of Combating the Soviet Intelligence Service." June 3, 1946.

<u>Document 17:</u> Headquarters, USFET, MISC, Lt. Col. John R. Deane, Jr. to Assistant Chief of Staff, G-2, USFET, "Plan for the Inclusion of the Bolero Group in Operation Rusty." July 2, 1946.

<u>Document 18:</u> Lewis to Chief, Foreign Branch M (FBM), "Operation KEYSTONE." September 9, 1946, enclosing Lewis to Brigadier General Sibert, G-2, September 6, 1946. <u>Document 19:</u> Maj. Gen. W.A. Burress, G-2, to Lt. Gen. Hoyt S. Vandenberg, Director of Central Intelligence, "Operation RUSTY - Use of the Eastern Branch of the former

German Intelligence Service." With attachments. October 1, 1946.

<u>Document 20:</u> Lewis to Richard Helms, Acting Chief of FBM, October 8, 1946, enclosing Lewis to Donald H. Galloway, Assistant Director for Special Operations, September 22, 1946.

<u>Document 21:</u> Draft to Deputy A, "Operation Rusty." October 16, 1946.

<u>Document 22:</u> Galloway to DCI, "Operation Rusty," October 17, 1946, enclosing Heidelberg Field Base to Chief, IB, "Agent Net Operating in the Bamberg Area," with attachment, September 17, 1946.

<u>Document 23:</u> DCI to Maj. Gen. Stephen J. Chamberlin, Director of Intelligence, War Department, "Operation Rusty-Use of the Eastern Branch of the Former German Intelligence Service," November 20, 1946, enclosing Burress to Vandenberg, "Operation RUSTY-Use of the Eastern Branch of the Former German Intelligence Service," October 1, 1946.

<u>Document 24:</u> Col. W.W. Quinn to Galloway, "Operation RUSTY," December 19, 1946.

<u>Document 25:</u> Helms, Memorandum for the Record, "Operation RUSTY." December 19, 1946.

Volume 1: Part IV - The Bossard Report

<u>Document 26:</u> Cable, Special Operations to [excised]. January 31, 1947.

<u>Document 27:</u> Cable, SO to [excised]. February 10, 1947.

<u>Document 28:</u> Lt. Col. Deane to the German Chief of Operation RUSTY, "Assignment of Responsibilities," February 25, 1947.

Document 29: Cable, SO to Frankfurt. March 6, 1947.

Document 30: Cable, Heidelberg to SO. March 11, 1947.

<u>Document 31:</u> Report, "Operation KEYSTONE." March 13, 1947.

Document 32: Cable, SO to Heidelberg. March 14, 1947.

<u>Document 33:</u> Samuel Bossard to [Galloway]. March 17, 1947.

<u>Document 34:</u> Memorandum to Helms, "American Intelligence Network," with attachment. March 18, 1947.

Document 35: Bossard to [excised] Chief, German Mission. March 20, 1947.

Document 36: Cable, Heidelberg to SO, March 21, 1947.

<u>Document 37:</u> Report, "American Intelligence in Bavaria." March 29, 1947.

<u>Document 38:</u> SC, AMZON to FBM for SC, Washington, "KEYSTONE: LESHCINSKY." March 31, 1947.

<u>Document 39:</u> Memorandum to [Galloway] and Bossard, "Evaluation of RUSTY CI Reports," with attachments. April 1, 1947.

Document 40: Cable, Heidelberg to SO. April 8, 1947.

Document 41: [Bossard] to [Galloway]. May 5, 1947.

<u>Document 42:</u> Bossard to DCI, "Operation Rusty." May 29, 1947.

<u>Document 43:</u> Galloway to DCI, "Operation RUSTY," June 3, 1947, enclosing Bossard to DCI, "Operation Rusty," with annexes, May 29, 1947.

<u>Document 44:</u> Memorandum for [unspecified], "Operation RUSTY," with attachment, [undated]

<u>Document 45:</u> DCI to Secretary of State, et al, "Opertation Rusty," [undated], enclosing "Memorandum on Operation RUSTY," June 6, 1947.

<u>Document 46:</u> Cable, Central Intelligence Group to ACS, G-2, European Command, June 5, 1947.

Document 47: Cable, EUCOM to CIG, June 6, 1947.

<u>Document 48:</u> Galloway, Bossard, Memorandum for the Record, June 20, 1947.

<u>Document 49:</u> Brig. Gen. E.K. Wright, Memorandum for the Record, June 20, 1947.

<u>Document 50:</u> Galloway, Bossard, Helms, "Report of

Meeting at War Department 26 June 1947." June 26, 1947.

<u>Document 51:</u> Bossard, "Recommendations drawn up at request of Gen. Chamberlin for the attention of Gen. Walsh." June 27, 1947.

Document 52: Cable, SO to Heidelberg, June 27, 1947.

Document 53: Cable, SO to Heidelberg, June 27, 1947.

Document 54: Cable, Heidelberg to SO, July 25, 1947.

<u>Document 55:</u> Chief of Station, Heidelberg to FBM,

"RUSTY." October 1, 1947.

<u>Document 56:</u> Headquarters, First Military District, US Army, General Orders Number 54, "Organization of 7821st Composite Group." December 1, 1947.

Volume 2: Introduction

Volume 2: Part V - The Critchfield Report

<u>Document 57:</u> Chief of Station; Heidelberg to Chief, FBM, "Russian Newspaper Attack on American Intelligence Activities," with attachment. February 6, 1948.

<u>Document 58:</u> Memorandum to Helms, "Operation RUSTY," March 18, 1948.

<u>Document 59:</u> Helms to ADSO, "Rusty," March 19, 1948. <u>Document 60:</u> Chief, Foreign Broadcast Information Branch to ADSO, "PRAVDA Report of US Spy Group in USSR Zone

of Occupied Germany." March 30, 1948.

<u>Document 61:</u> Chief, FBIB to ADSO, "PRAVDA Report of US

<u>Document 61:</u> Chief, FBIB to ADSO, "PRAVDA Report of US Spy Group in USSR Zone of Occupied Germany." March 31, 1948.

Document 62: Chief, Munich Operations Base to Acting

Chief of Station, Karlsruhe, "Rusty." July 7, 1948.

<u>Document 63:</u> Acting Chief, Karlsruhe Operations Base to Chief, FBM, "RUSTY." August 19, 1948.

Document 64: DCI to Chamberlin, August, 31, 1948.

<u>Document 65:</u> Chief of Station, Karlsruhe to Chief, FBM, "RUSTY." October 15, 1948.

Document 66: Cable, SO to Karlsruhe, October 27, 1948.

Document 67: [Helms] to COS, Karlsruhe, "RUSTY."

November 2, 1948.

<u>Document 68:</u> [excised] to COS, Karlsruhe, "RUSTY."

November 18, 1948.

Document 69: Chief, MOB [Critchfield] to Chief, FBM, "Bi-

Weekly Letter," (excerpts), December 4, 1948.

<u>Document 70:</u> Cable, SO to Karlsruhe, December 14, 1948.

<u>Document 71:</u> Cable, Karlsruhe to SO, December 17, 1948.

Document 72: Chief, MOB [Critchfield] to Chief, OSO,

"Report of Investigation-RUSTY," with annexes, (excerpts), December 17, 1948.

<u>Document 73:</u> Galloway to DCI, "Recommendations in re Operation Rusty." December 21, 1948.

<u>Document 74:</u> Cable, SO to Munich, Karlsruhe. December 22, 1948.

<u>Document 75:</u> Chief, FBM to COS, Karlsruhe, "Operation Rusty." December 24, 1948.

<u>Document 76:</u> Chief, FBM to COS, Karlsruhe, "Operation Rusty," December 28, 1948, enclosing DCI to Maj. Gen. William E. Hall, USAF, "Operation Rusty." December 22, 1948.

Volume 2: Part VI - A Year of Decisions

<u>Document 77:</u> Maj. Gen. S. LeRoy Irwin to DCI, "Operation 'RUSTY." January 19, 1949.

<u>Document 78:</u> Helms, Memorandum for the Files, "Operation Rusty." February 1, 1949.

<u>Document 79:</u> Chief, FBM to COS, Karlsruhe, "[Gehlen Organization]," February 2, 1949.

Document 80: Cable, SO to Karlsruhe. February 8, 1949.

Document 81: Cable, SO to Karlsruhe. February 9, 1949.

<u>Document 82:</u> Chief, FBM to COS, Karlsruhe, "[Gehlen Organization]," February 9, 1949.

<u>Document 83:</u> Chief, FBM to COS, Karlsruhe, [untitled],

February 10, 1949, enclosing Alan R McCracken, ADSO, to Irwin, "Operation Rusty." February 9, 1949.

<u>Document 84:</u> [Critchfield] to Chief, FBM, "Letter to General Hall," with enclosures, February 10, 1949.

Document 85: [Critchfield] to Chief, FBM, "[Gehlen

Organization]: Procedure for Handling Funds. March 14, 1949.

Document 86: Cable, SO to Karlsruhe, March 16, 1949.

<u>Document 87:</u> [Critchfield] to Chief, FBM, "[Gehlen

Organization]: Current Financial Situation." March 21, 1949. <u>Document 88:</u> Executive Officer to Chief of Operations and

Chief, FBM, "[Gehlen Organization]," April 1, 1949. Document 89: [Critchfield] to Chief, FBM, "[Gehlen

Organization: Current Situation." April 18, 1949.

<u>Document 90:</u> Robert A. Schow, ADSO to Director, CIA, "EUCOM Support for the 7821 Composite Group (Operation Rusty)," April 21, 1949.

<u>Document 91:</u> [Critchfield] to COS, Karlsruhe, "Organization and Individual Security Problems [Gehlen Organization] Staff," May 4, 1949.

<u>Document 92:</u> Headquarters, EUCOM to Chief of Staff, US Army Director of Intelligence, June 6, 1949.

<u>Document 93:</u> [Critchfield] to Chief, FBM, "Basic Agreement with [Gehlen Organization]," June 13, 1949.

<u>Document 94:</u> [Critchfield] to Chief, FBM, "[Gehlen Organization] General Policy," with enclosures, July 7, 1949.

Document 95: [Critchfield] to Chief, FBM, "Basic Considerations in Reviewing the Concept and Mission of [Gehlen Organization]," September 21, 1949.

Document 96: [Critchfield] to Chief, FBM, "[Gehlen Organization] - Schneider's Negotiations with Third Parties," September 22, 1949, enclosing [Critchfield] to Dr. Schneider, "The Coordination and Control of Negotiations with German Political and Economic Circles and Representatives of Western European Intelligence Services," September 20, 1949.

<u>Document 97:</u> [Critchfield] to Chief, FBM, "Dr. Schneider's Reply to Recent Policy Guidance Letters," with enclosures, October 12, 1949.

Notes

- 1. Douglas Jehl, "CIA Said to Rebuff Congress on Nazi Files," *New York Times*, January 30, 2005.
- 2. Richard Breitman, Norman Goda, Timothy Naftali, and Robert Wolfe, *U.S. Intelligence and the Nazis*, (Washington, DC: National Archive Trust Fund Board, 2004), 377.
- 3.Ibid, 8-9.
- 4. Ibid, 406.
- 5. Ibid, 8.